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Gas Transmission Services Input Methodologies (Government Grants Related to Income) Amendment Determination 2026

[2026] NZCC 34

The Commission: Nathan Strong
Dr John Small
Dr Derek Johnston
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Date of decision: 1 September 2026

[redacted]

Robert Cahn, Chief Legal Counsel – Infrastructure Regulation

Dated at Wellington this 1st day of September 2026

COMMERCE COMMISSION

Wellington, New Zealand

Determination history		
Determination date	**Decision number**	**Determination name**
28 September 2012	[2012] NZCC 28	Gas Transmission Services Input Methodologies Determination 2012 ('principal determination')*
25 October 2012	n/a	n/a – updated consolidated version to reflect error corrected by Decision 744
15 November 2012	[2012] NZCC 34	Electricity and Gas Input Methodologies Determination Amendments (No. 2) 2012
25 February 2013	[2013] NZCC 3	Gas Pipeline Services Input Methodologies Determination Amendment (No. 1) 2013
29 October 2014	[2014] NZCC 27	Electricity Lines Services and Gas Pipeline Services Input Methodologies Determination Amendment (WACC percentile for price-quality regulation) 2014
14 November 2014	n/a	Determination of Input Methodologies by the High Court in *Wellington International Airports Ltd and others v Commerce Commission* [2013] NZHC 3289 (11 December 2013)
11 December 2014	[2014] NZCC 38	Electricity Lines Services and Gas Pipeline Services Input Methodologies Determination Amendment (WACC percentile for information disclosure regulation) 2014
12 November 2015	[2015] NZCC 28	Electricity and Gas (Customised Paths) Input Methodology Amendments Determination 2015
20 December 2016	[2016] NZCC 26	Gas Transmission Services Input Methodologies Amendments Determination 2016
21 December 2017	[2017] NZCC 32	Gas Transmission Services Input Methodologies Amendments Determination 2017
25 March 2022	[2022] NZCC 6	Gas Transmission Services Input Methodologies Amendment Determination (No.1) 2022
30 May 2022	[2022] NZCC 16	Gas Transmission Services Input Methodologies Amendment Determination (No.2) 2022
13 December 2023	[2023] NZCC 36	Gas Transmission Services Input Methodologies (IM Review 2023) Amendment Determination 2023
11 December 2024	[2024] NZCC 38	Gas Transmission Services Input Methodologies (treatment of insurance entitlements) Amendment Determination 2024
26 May 2026	[2026] NZCC 18	Gas Transmission Services Input Methodologies Amendment Determination (No.1) 2026

1 September 2026	[2026] NZCC 34	Gas Transmission Services Input Methodologies (government grants related to income) Amendment Determination 2026

* The principal determination re-determined the input methodologies contained in *Commerce Act (Gas Transmission Services Input Methodologies) Determination 2010* (Commerce Commission Decision No. 712, 22 December 2010), as amended by *Commerce Act (Gas Transmission Services Input Methodologies) Amendment Determination 2011* (Commerce Commission Decision No. 744, 19 December 2011) and the *Electricity and Gas Input Methodologies Determination Amendments (No. 1) 2012* [2012] NZCC 18 (29 June 2012). A complete history of determinations relevant to the input methodologies applicable to gas transmission services is available on the Commission's website.

Under section 52W of the Commerce Act 1986, the Commerce Commission makes the following determination:

1. Title

1.1 This determination is the Gas Transmission Services Input Methodologies (Government Grants Related to Income) Amendment Determination 2026.

2. Commencement

2.1 This determination comes into force on 2 September 2026.

3. Interpretation

3.1 Terms in bold that are defined in the **principal determination,** but not in this determination, have the meaning given to those terms in the **principal determination**.

3.2 In this determination, **principal determination** means the Gas Transmission Services Input Methodologies Determination 2012 [2012] NZCC 28.

4. Determination amended

4.1 This determination amends the **principal determination**.

5. Principal determination amendments

5.1 Insert, in the appropriate alphabetical order, a new definition of "government grant related to income" in clause 1.1.4(2) of the **principal determination**:

"**government grant related to income** has the same meaning as 'grants related to income' under **GAAP**, except to the extent such a grant relates to expenditure that has been explicitly or implicitly provided for in a **DPP** or **CPP**;"

5.2 Replace the definition of "operating cost" in clause 1.1.4(2) of the **principal determination** with:

"**operating cost** means a cost incurred by the **GTB** in question relating to the **supply** of-

(a) **regulated services** alone; or

(b) **regulated services** and one or more **unregulated service**,

net of any **insurance entitlement**, **compensatory entitlement**, **third-party liability entitlement**, or **government grant related to income** for the same cost, up to the amount of that cost, which the **GTB** chooses to net off in calculating that cost, and excludes-

(c) a cost that is treated as a cost of an asset by **GAAP**;

(d) amounts that are depreciation, tax, subvention payments, revaluations or an interest expense, in accordance with their meanings under **GAAP**;
(e) **debt issuance costs**;
(f) **pass-through costs**;
(g) **recoverable costs**;
(h) distribution of profits to **consumers**; and **pecuniary penalties**;"

5.3 Replace the definition of "other regulated income" in clause 1.1.4(2) of the **principal determination** with:

"**other regulated income** for the purpose of –

(a) Part 3, means income associated with the supply of **gas transmission services** other than-
  (i) through **prices**;
  (ii) investment-related income;
  (iii) **capital contributions**; or
  (iv) **vested assets**;
  (v) any **insurance entitlement** that has been applied to reduce the value of a **commissioned** asset under clause 2.2.11(1)(j);
  (vi) any **compensatory entitlement** that has been applied to reduce the value of a **commissioned** asset under clause 2.2.11(1)(j);
  (vii) any **insurance entitlement** that has been netted off in calculating an **operating cost**; and
  (viii) any **third-party liability entitlement** that has been netted off in calculating an **operating cost**;
  (ix) any **government grant related to income** that has been netted off in calculating an **operating** cost; and
(b) Parts 4 and 5, means income associated with the supply of **gas transmission services** other than-
  (i) through **prices**;
  (ii) investment-related income;
  (iii) **capital contributions**;
  (iv) **vested assets**,

(v) any **insurance entitlement** that has been applied to reduce the value of a **commissioned** asset under clause 2.2.11(1)(j);

(vi) any **compensatory entitlement** that has been applied to reduce the value of a **commissioned** asset under clause 2.2.11(1)(j);

(vii) any **insurance entitlement** that has been netted off in calculating an **operating cost**;

(viii) any **third-party liability entitlement** that has been netted off in calculating an operating cost; and

(ix) any **government grant related to income** that has been netted off in calculating an operating cost;

as determined by the **Commission**;"

Explanatory note

This note is not part of the determination but is intended to indicate its general effect.

This determination amends the Gas Transmission Services Input Methodologies Determination 2012 ('principal determination').

This is secondary legislation issued under the authority of the Legislation Act 2019.	
Title	Gas Transmission Services Input Methodologies (Government Grants Related to Income) Amendment Determination 2026
Principal or amendment	Amendment
Consolidated version	No
Empowering Act and provisions	Commerce Act 1986 Section 52W
Replacement empowering Act and provisions	Not applicable
Maker name	Commerce Commission
Administering agency	Commerce Commission
Date made	1 September 2026
Publication date	1 September 2026
Notification date	1 September 2026
Commencement date	2 September 2026
End date (when applicable)	Not applicable
Consolidation as at date	Not applicable
Related instruments	Gas Transmission Services Input Methodologies Determination 2012 [2012] NZCC 28

Consistency Accountability Statement: Gas Transmission Services Input Methodologies (Government Grants Related to Income) Amendment Determination 2026

Agency Responsible	Commerce Commission
Portfolio	Commerce and Consumer Affairs
Date finalised	1 September 2026
Identification number	N/A

Statement of Review

I confirm that the Commerce Commission has assessed the above legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025. This assessment identified no inconsistencies with the principles of responsible regulation.

[redacted]

Chief Executive Officer
Commerce Commission